AMENDED IN ASSEMBLY FEBRUARY 4, 2003

CALIFORNIA LEGISLATURE—2003-04 FIRST EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 1

Introduced by Assembly Member Daucher (Coauthor: Assembly Member Bates)

January 6, 2003

An act to add and repeal Chapter 5 (commencing with Section 35800) and Chapter 6 (commencing with Section 35900) to of Part 21 of the Education Code, relating to education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1, as amended, Daucher. Home rule school districts and county offices of education.

Existing law provides for the establishment of charter schools and for the conversion of all the schools in a district to charter schools. Existing law exempts charter schools from many of the laws governing school districts.

Existing law establishes various categorical education programs under which funding is provided for specific educational purposes. Existing law requires the Superintendent of Public Instruction to annually compute a categorical block grant amount for each charter school and allows those schools to use these funds for any purpose determined by the governing board.

Existing law establishes the Pilot Project for Categorical Education Program Flexibility under which a participating school district may expend funds within each of 3 clusters for the general purposes associated with the categorical education programs in those clusters.

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This bill would authorize a school district or county office of education, until June 30, 2005, to become a home rule school district or county office of education, as appropriate, if specified conditions are met.

The bill would exempt a home rule school district or county office of education from the requirements imposed on school districts and county offices of education except for specified provisions, including, among other things, provisions regarding the election of members of the governing board of the school district or of the county board of education, the Field Act, school safety requirements, school finance, school employees, collective bargaining, health screening, and immunization requirements.

The bill would require the Superintendent of Public Instruction to compute a categorical education block grant amount for each home rule school district and county office of education that may be expended for purposes of any of the categorical education programs offered by the district or county office.

The bill would set forth the conditions under which a school district or county office of education would cease being a home rule school district or county office of education.

Because the bill would establish new duties on a local elections official in connection with an election required to be conducted based on a petition filed to revoke the home rule status of a school district or county office of education, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that no reimbursement shall be made from the State Mandates Claims Fund for costs mandated by the state pursuant to this act, but would recognize that local agencies and school districts may pursue any available remedies to seek reimbursement for these costs.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

SECTION 1. Chapter 5 (commencing with Section 35800) is added to Part 21 of the Education Code, to read:

CHAPTER 5. HOME RULE SCHOOL DISTRICTS

- 35800. (a) A school district may become a home rule school district if all of the following conditions are met:
- (1) The governing board of the school district by a majority vote adopts a resolution by December 31, 2004, containing the requirements set forth in subdivision (c).
- (2) Not later than 15 days after its vote to adopt the resolution, the governing board forwards the resolution to the State Board of Education, which shall ensure that all relevant laws are complied with.
- (3) Within 35 days of receipt of the resolution, if the State Board of Education finds that the resolution complies with the requirements set forth in subdivision (c) and that neither of the conditions set forth in paragraph (2) of subdivision (b) are is met, the State Board of Education, in consultation with the Superintendent of Public Instruction, approves the resolution.
- (b) (1) The State Board of Education, in consultation with the Superintendent of Public Instruction, shall approve a resolution to convert to a home rule school district if the resolution complies with the requirements set forth in subdivision (c).

(b)

- (2) Notwithstanding paragraph (1), the State Board of Education shall not approve a resolution to convert to a home rule school district if the school district has a qualified or negative budget certification, or if any school within the district is a low-performing school that meets the criteria to participate in the Immediate Intervention/Underperforming Schools Program pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28.
- (c) A resolution to become a home rule school district shall contain all of the following:
- (1) A description of the manner in which the home rule school district will enhance the ability of schools within the district to increase learning opportunities for all pupils. The description shall

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specify the manner in which learning opportunities and outcomes will be expanded for pupils who are identified as academically low achieving.

- (2) The means by which the home rule school district will ensure the health and safety of the pupils and staff.
- (3) The manner in which the home rule school district will approve interdistrict transfer requests for pupils who do not wish to attend schools under the jurisdiction of the home rule school district.
- (4) The procedures by which pupils may be suspended or expelled.
- 35801. Except as specified in this chapter, a home rule school district is exempt from the requirements imposed on school districts.
- 35802. A home rule school district shall comply with all of the following:
- (a) Chapter 1 (commencing with Section 5000) and Chapter 3 (commencing with Section 5300) of Part 4, which relate to the election of members of the governing board of a school district.
- (b) Article 3 (commencing with Section 17280) and Article 6 (commencing with Section 17365) of Chapter 3 of Part 10.5, which relate to the construction of school facilities.
- (c) Article 1 (commencing with Section 35100) of Chapter 2 of Part 21, which relates to membership on the governing board of a school district.
- (d) Chapter 3 (commencing with Section 35500) and Chapter 4 (commencing with Section 35700), which relate to the reorganization of school districts.
- (e) Chapter 6 (commencing with Section 42100) of Part 24, which relates to school finance.
- (f) Chapter 1 (commencing with Section 44000), Chapter 2 (commencing with Section 44200), Chapter 3 (commencing with Section 44420), Chapter 4 (commencing with Section 44800), and Chapter 5 (commencing with Section 45100) of Part 25 as those laws read on January 1, 2004. Any changes to these laws that are made after January 1, 2004, apply to a home rule school district only if the change is made specifically applicable to home rule school districts.
- 39 (g) The Public Schools Accountability Act of 1999 as set forth 40 in Chapter 6.1 (commencing with Section 52050) of Part 28.

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(h) The Leroy Greene California Assessment of Academic Achievement Act as set forth in Chapter 5 (commencing with Section 60600) of Part 33.

- (i) Chapter 8 (commencing with Section 60850) of Part 33 relating to the high school exit examination.
- (j) Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code relating to meeting and negotiation in public school employment. A collective bargaining agreement in effect at the time a school district becomes a home rule school district remains in full force and effect. The employees of the home rule school district are governed by the State Teachers' Retirement System or the Public Employees' Retirement System.
 - (k) Health screening and immunization requirements.
 - (l) School safety requirements.
 - (m) All applicable federal laws.
- 35803. (a) A home rule school district is a school district for purposes of determining the manner in which warrants are drawn on the State School Fund pursuant to Section 14041 and shall receive apportionments as set forth in that section.
- (b) The Superintendent of Public Instruction shall compute an initial categorical education block grant amount for each home rule school district by determining the amount the district received for all state funded categorical education programs in the prior fiscal year.
- (c) The categorical education block grant amount calculated pursuant to subdivision (b) shall be increased each fiscal year for inflation and growth by the same amounts that nonhome rule school districts receive for categorical education programs.
- (d) A home rule school district may expend its categorical education block grant for purposes of any of the categorical education programs offered by the district and is exempt from the program requirements and regulations for the categorical education programs it offers, except as specified in this chapter.
- (e) A home rule school district may apply for and receive funding for new categorical education programs. The home rule school district shall expend any new categorical education program funding solely for the purpose of the specific program for which the funding is received.
- (f) The Superintendent of Public Instruction shall revoke a categorical block grant if any low-performing school in the home

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rule school district meets the criteria to participate in the Immediate Intervention/Underperforming Schools Program pursuant to Article 3 (commencing with Section 52053) of Part 28.

- (g) A home rule school district may establish a district deferred maintenance fund pursuant to Section 17582 and receive apportionments from the State School Deferred Maintenance Fund pursuant to Section 17584. A home rule school district that elects to establish a district deferred maintenance fund and receive state funds is subject to Sections 17583, 17584.1, 17585, 17586, 17587, and 17588.
- (h) A home rule school district qualifies for funds from the State School Facilities Fund in the same manner as a nonhome rule school district.
- 35804. (a) A school district shall continue as a home rule school district until any of the following occurs:
- (1) The governing board by a majority vote repeals the resolution under which the school district became a home rule school district.
- (2) The Academic Performance Index of the school district or the Academic Performance Index of any numerically significant subgroup in the school district declines for _____ years out of _____ years by more than 20 points below what it was at the time the governing board adopted the resolution by which the school district became a home rule school district.
- (3) A petition to place a measure on the next statewide ballot to repeal home rule in the school district is signed by _____ percent of the registered voters in the school district and a majority of those voting on the question in the next statewide election approve of the repeal of the petition.
- (4) The county superintendent of schools determines that the district has engaged in fiscal mismanagement.
- (b) If the resolution by which a school district became a home rule school district is revoked, all laws regarding employee rights that did not apply to the home rule school district apply to the school district.
- 35805. This chapter shall remain in effect only until June 30, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before June 30, 2005, deletes or extends that date.
- 39 SEC. 2. Chapter 6 (commencing with Section 35900) is added 40 to Part 21 of the Education Code, to read:

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CHAPTER 6. HOME RULE COUNTY OFFICES OF EDUCATION

 35900. (a) A county office of education may become a home rule county office of education if all of the following conditions are met:

- (1) The county board of education by a simple majority vote
- (1) The county superintendent of schools adopts a resolution by December 31, 2004, containing the requirements set forth in subdivision (c).
- (2) Not later than 15 days after its vote to adopt adopting the resolution, the county board of education superintendent of schools forwards the resolution to the State Board of Education, which shall ensure that all relevant laws are complied with.
- (3) Within 35 days of receipt of the resolution, if the State Board of Education finds that the resolution complies with the requirements set forth in subdivision (c) and that neither of the conditions set forth in paragraph (2) of subdivision (b) are met, the State Board of Education, in consultation with the Superintendent of Public Instruction, approves the resolution.
- (b) (1) The State Board of Education, in consultation with the Superintendent of Public Instruction, shall approve a resolution to convert to a home rule county office of education if the resolution complies with the requirements set forth in subdivision (c).
- (2) Notwithstanding paragraph (1), the State Board of Education shall not approve a resolution to convert to a home rule county office of education if the county office of education has a qualified or negative budget certification, or if any school governed by the county office of education is a low-performing school that meets the criteria to participate in the Immediate Intervention/Underperforming Schools Program pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28.
- (c) A resolution to become a home rule county office of education shall contain all of the following:
- (1) A description of the manner in which the home rule county office of education will enhance the ability of schools governed by the county office of education to increase learning opportunities for all pupils. The description shall specify the manner in which learning opportunities and outcomes will be expanded for pupils who are identified as academically low achieving.

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(2) The means by which the home rule county office of education will ensure the health and safety of the pupils and staff.

(3) The manner in which the home rule county office of education will approve interdistrict transfer requests for pupils who do not wish to attend schools under the jurisdiction of the home rule county office of education.

(4)

- (3) The procedures by which pupils may be suspended or expelled.
- 35901. Except as specified in this chapter, a home rule county office of education is exempt from the requirements imposed on county offices of education.
- 35902. A home rule county office of education shall comply with all of the following:
- (a) Chapter 1 (commencing with Section 1000) of Part 2, which relates to the election, jurisdiction, duties, salaries, and expenses of members of a county board of education.
- (b) Article 3 (commencing with Section 17280) and Article 6 (commencing with Section 17365) of Chapter 3 of Part 10.5, which relate to the construction of school facilities.
- (c) Chapter 6 (commencing with Section 42100) of Part 24, which relates to school finance.
- (d) Chapter 1 (commencing with Section 44000), Chapter 2 (commencing with Section 44200), Chapter 3 (commencing with Section 44420), Chapter 4 (commencing with Section 44800), and Chapter 5 (commencing with Section 45100) of Part 25 as those laws read on January 1, 2004. Any changes to these laws that are made after January 1, 2004, apply to a home rule county office of education only if the change is made specifically applicable to home rule county offices of education.
- (e) Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code relating to meeting and negotiation in public school employment. A collective bargaining agreement in effect at the time a county office of education becomes a home rule county office of education remains in full force and effect. The employees of the home rule county office of education are governed by the State Teachers' Retirement System or the Public Employees' Retirement System.
- (f) Health screening and immunization requirements.
 - (g) School safety requirements.

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(h) All applicable federal laws.

35903. (a) A home rule county office of education is a county office of education for purposes of determining the manner in which warrants are drawn on the State School Fund pursuant to Section 14041 and shall receive apportionments as set forth in that section.

- (b) The Superintendent of Public Instruction shall compute an initial categorical education block grant amount for each home rule county office of education by determining the amount the county office of education received for all state funded categorical education programs in the prior fiscal year.
- (c) The categorical education block grant amount calculated pursuant to subdivision (b) shall be increased each fiscal year for inflation and growth by the same amounts that nonhome rule county offices of education receive for categorical education programs.
- (d) A home rule county office of education may expend its categorical education block grant for purposes of any of the categorical education programs offered by the county office of education and is exempt from the program requirements and regulations for the categorical education programs it offers, except as specified in this chapter.
- (e) A home rule county office of education may apply for and receive funding for new categorical education programs. The home rule county office of education shall expend any new categorical education program funding solely for the purpose of the specific program for which the funding is received.
- (f) The Superintendent of Public Instruction shall revoke a categorical block grant if any low-performing school governed by the county office of education meets the criteria to participate in the Immediate Intervention/Underperforming Schools Program pursuant to Article 3 (commencing with Section 52053) of Part 28.
- (f) A home rule county office of education may establish a district deferred maintenance fund pursuant to Section 17582 and receive apportionments from the State School Deferred Maintenance Fund pursuant to Section 17584. A home rule county office of education that elects to establish a district deferred maintenance fund and receive state funds is subject to Sections 17583, 17584.1, 17585, 17586, 17587, and 17588.

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(g) A home rule county office of education qualifies for funds from the State School Facilities Fund in the same manner as a nonhome rule county office of education.

35904. (a) A county office of education shall continue as a home rule county office of education until any either of the following occur: occurs:

- (1) The county board of education by a majority vote *superintendent of schools* repeals the resolution under which the county office of education became a home rule county office of education.
- (2) A petition to place a measure on the next statewide ballot to repeal the home rule status is signed by _____ percent of the registered voters residing within the jurisdiction of the county office of education and a majority of those voting on the question in the next statewide election approve the repeal of the petition.
 - (3) The county superintendent of schools determines that the
- (2) The State Board of Education determines that the county office of education has engaged in fiscal mismanagement.
- (b) If the resolution by which a county office of education became a home rule county office of education is revoked, all laws regarding employee rights that did not apply to the home rule county office of education apply to the county office of education.
- 35905. This chapter shall remain in effect only until June 30, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before June 30, 2005, deletes or extends that date.
- SEC. 3. No reimbursement shall be made from the State Mandates Claims Fund pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code for costs mandated by the state pursuant to this act. It is recognized,
- 31 however, that a local agency or school district may pursue any
- 32 remedies to obtain reimbursement available to it under Part 7
- 33 (commencing with Section 17500) and any other provisions of
- 34 law.